Railroad traffic is lively: military trains pass Kaunas every few minutes. A single passenger train circulates daily between Vilnius and Kaunas, and one train operates every other day between Kaunas and Šeštokai.

Graveled highways go unrepaired, showing ever greater deterioration. Few ships and barges are seen on the Nemunas, as most of the fleet managed to escape to Denmark in 1944.

All artisans were driven into "artels": excessive taxes did the trick.

Wages are low and working hours are long. Prices are twice as high as in Moscow: one week's wages is spent on a kilogram of butter. In 1945 butter was transported from Lithuania to Moscow in an "airlift operation," by planes. The Muscovites liked Lithuanian butter—and butter is still exported, depriving the Lithuanians of their diet. Numerous deductions are withheld from wages—up to one half, including "voluntary" subscriptions to state loans, etc.

In consequence of the meager pay, every worker attempts to steal whatever he can, and to sell the stolen products in the black market. Lately the bureaucracy—itself most guilty of embezzlement—began penalizing the workers with harsh penalties. Nevertheless, the practice of stealing is universal, and the Russian officials set the pace. Whenever the so-called "exemplary state farms" call for volunteers to assist in planting or harvesting—there are enough volunteers who anticipate a chance to "hook something."

The morale of factory workers is as low as that of the farmers. The living conditions steadily deteriorate. Discontent over "stakhanovite efficiency," long working hours, low pay, lack of clothing, etc. is widespread. In the early part of 1948 the regime abandoned its choicest proffer to workers—the bait of appointment to managing posts. Today, there is a tendency to build up cadres of skilled specialists, a privileged caste of people in uniform—even telegraph post climbers wear uniforms. . . .

Moral Situation

Symbols of Russian "culture" and ways of life universally exhibited by the "masters and victors" are—violence, profanity, drunkenness, thievery, deceit and raggedness.

Any criminal tendencies among the natives were drastically curbed by the underground authorities. Felonies were penalized by death sentences—and the sentences were carried out. But thieving is uncontrollable in the factories and in the supply services.

The Russians and their bootlickers revel in continual drunkenness. Vodka is the universal form of bribe. Unfortunately, the brutal conditions of life affected the Lithuanians to a certain degree, too. People are tempted to forget bitter reality for a half hour at least. The resistance movement continually wages a press propaganda against alcoholism ("Don't be like a Russian!"). For strictly practical considerations of maintaining a supply service for its armed units, the resistance movement repeatedly issued orders banning home distilling and any waste of the much needed grains. The Russians, however, pursue a definite policy aimed at demoralizing the natives and weakening their moral standards. Vodka is dumped on the market in unlimited unrationed qualities. But—the Church is still permitted to preach against the evils of drunkenness.

504 Under German rule, Memel, as the northernmost situated port, which lacked a hinterland, did not acquire full importance, and served exclusively timber transport. For the first time under the Lithuanian regime a rising period began for Memel port. The indispensable investment works, which for the first time rendered the port accessible to the navigation of larger oceangoing vessels, demanded heavy outlays, the redemption 653 of which will take a long time. The Government during the 504 past fifteen years has laid out 39 000 000 litas on construction work and cost of up-keep of the port, while during the same time the receipts reached only 9 500 000 litas. Besides these directly invested sums for the extension of the port, no less considerable amounts have been expended on the erection of warehouses, petrol tanks, refrigerators, and similar installations. Certainly the receipts show a rapid rise: whereas until 1935 they fluctuated between 500 000 litas and 800 000 litas annually, in 1936 they already amounted to 1 360 000 litas and in 1937 to over 1 500 000 litas.

[502] The most important construction work consisted in the deepening of the harbour on an average by 2 metres, in order to render it navigable for ocean steamers. Thanks to these works, the harbour depths to-day in many places are from 8 to 9 metres and in the new dock of the winter port from 7 to 7.5 metres. In the next few years, moreover, further deepening of the harbour to 10 metres is planned.

The already mentioned new dock of the winter port comprises an area of 96 000 square metres and is accessible to large vessels with a displacement of 10 000—15 000 tons. Among other works should be mentioned: The strengthening of approximately 2 000 metres of quays with ferro-concrete and iron reinforcement; the creation of a yacht harbour; extension of the railway track in the port by 4 300 metres; erection of three modern electric cranes; building of new port warehouses with 73 000 cubic metres storage capacity; the completion of the electric power station, &c.

505 The development of Memel shipping since the attachment of the Territory to Lithuania is shown by the following figures:

6: Anonymous U-4, 5 (no date) 1938 RB5 Lithuanians RB5

Shipping Movement at Memel Port from 1924—1937.

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Year	Entries		Clearances	
	Vessels	1 000 net reg. tons	Vessels	1 000 net reg. tons
1924—28*)	762	367.8	764	367.3
1929	807	502.8	802	501.5
1930	960	499.8	960	500.1
1931	981	445.5	982	448.0
1932	1 113	519.7	1 117	516.9
1933	1 069	600.6	1 088	605.3
1934	1 030	622.8	1 039	625.5
1935	1 225	691.3	1 249	692.0
1936	1 371	788.5	1 395	790.1
1937	1 414	844.7	1 433	847.1

We gather from these data that the number of entries and clearances during the period under review has risen by 86.6% and their net registered tonnage by 130.1%. This advance ensued preponderantly during the last five years.

The distribution of the shipping entries at Memel according to national flag is as follows:

	1924—28*)	1935	1936	1937
Lithuania	15	48	96	107
Germany	408	480	544	527
Sweden	125	221	247	231
Great Britain	58	95	114	131
Denmark	51	116	128	117
Holland	6	74	80	83
Norway	25	53	55	65
Estonia	9	35	35	29
Latvia	51	27	20	19

The doubling of the number of vessels sailing under the Lithuanian flag in 1936 is due to the fact that the year in question marked an important expansion of the Lithuanian mercantile marine. Until that year only three vessels belonging to the Memel shipping firm Schwederski, „Friesland",

*) Yearly average.

505 „Holland", and „Gotland", sailed under the Lithuanian flag, their total capacity being 3 000 gross registered tons. First of all at the beginning of 1936 the „Maistas" Joint-stock Company, with a view to the favourable expansion of its meat export to England, acquired three vessels with refrigerating plant, and a total capacity of 1 723 gross registered tons, whereby the number of ships under the Lithuanian commercial ensign was doubled. At the end of 1936 the Lietuvos Baltijos Lloydas Joint-stock Company was floated with preliminary share-capital of 2 000 000 litas, later raised to 3 500 000 litas, which took over the three abovementioned vessels from „Maistas", and later purchased two others in Denmark of 1 880 gross registered tons, and finally one more in Norway of 1 566 gross registered tons.

Moreover, the Memel shippers „Sandėlis" in 1936 procured a vessel of 990 gross registered tons and at the beginning of 1938 a second of 1 128 gross registered tons.

Our mercantile marine therefore consists to-day of eleven steamers of a total capacity of 10 299 gross registered tons. They are:

„Utena",	542	gross	registered	tons
„Kretinga",	642	„	„	„
„Maistas",	641	„	„	„
„Šiauliai",	939	„	„	„
„Marijampolė",	941	„	„	„
„Gotland",	990	„	„	„
„Nida",	990	„	„	„
„Holland",	991	„	„	„
„Friesland",	1 029	„	„	„
„Neringa",	1 128	„	„	„
„Kaunas",	1 566	„	„	„

505 439 The development of our foreign trade traffic via Memel port from 1931 to 1937 is shown by the following figures:

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Import and Export via Memel.

	1931	1932	1933	1934	1935	1936	1937
Import, in 1 000 tons	426.0	611.3	696.7	738.6	666.0	810.7	968.9
Export, in 1 000 tons	194.9	222.1	258.4	275.8	441.1	462.3	370.1

These figures, in which of course transit traffic is also included, show that under the operation of the above-mentioned factors (extension of the port and creation of a home mercantile marine) the goods turnover of Memel port during recent years has doubled. As regards the structure of the goods turnover via Memel, export consists chiefly of the following items (in 1 000 tons):

	1924—28*)	1935	1936	1937
Timber	43.2	154.0	178.7	193.1
Cellulose	68.1	48.4	56.7	73.1
Sulphur sticks	17.2	15.4	13.3	21.1
Linseed	3.3	9.9	21.4	17.9
Butter	0	10.2	15.2	15.8
Meat	0	13.1	13.5	12.6
Flax	3.5	2.1	7.5	7.0
Plywood	4.7	5.5	6.2	5.7
Eggs	0.1	1.7	5.1	5.5
Grain	—	163.4	126.4	5.2

The most important articles imported via Memel (in 1 000 tons) were:

	1924—28*)	1935	1936	1937
Timber	11.3	152.9	247.5	262.3
Coal	146.4	214.3	216.3	229.6
Cement	32.8	55.4	72.9	89.7
Metal & Metal Wares	10.3	34.1	42.8	70.2
Fertilizers	71.2	42.3	45.2	60.6
Sulphur pyrites	31.8	15.9	23.7	49.4
Petroleum	9.3	22.0	29.2	44.4
Limestone and Lime	32.9	43.0	30.5	44.2
Salt	9.2	28.1	25.8	23.5
Herrings	1.3	6.2	9.8	11.2

*) Yearly average.

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The bulk of the goods exported via Memel went in 1924-28 to Germany (51%), Great Britain (15.5%), Latvia, Sweden, Belgium, Holland, and Danzig. On the other hand, in 1937 the sequence was: To Great Britain (46.5%), Holland (10.6%), Germany (8.2%), Belgium, United States, Denmark, and Sweden, which the re-grouping of our export trade during the last ten years reveals.

The goods imported via Memel in 1924-28 originated for the most part from Germany (32.6%), Great Britain (15.3%), Sweden, Danzig, Holland, Norway and Belgium. In 1937 Great Britain took the first place among countries of supply (32.8%), followed by the U. S. S. R. (21.9%), Finland (12.2%), Belgium, Sweden, and for the first time in the sixth place Germany, with only 5.6%.

In conclusion are cited a few comparative figures regarding shipping in the larger neighbouring ports (number of ships):

	1936	1937		1936	1937
Danzig	5 404	5 935	Tallinn	1 589	1 659
Königsberg	4 258	3 332	Memel	1 371	1 414
Riga	1 563	2 054	Libau	520	602

3. Inland Water Traffic.

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The total length of the Lithuanian waterways amounts to 2 774.3 kilometres of which 683.3 klms. are accessible to steamer communication, while on the remaining 2 091 klms. only timber-rafts can be carried.

The principal traffic of steamers and tug-boats takes place on the Kaunas - Memel line. The following data on the goods turnover of our three most important river ports (in 1 000 tons) illustrate the development of inland navigation goods traffic:

Year	Memel	Smalininkai	Kaunas
1931	153.1	109.8	62.7
1932	278.9	91.3	54.7
1933	269.5	148.2	58.7
1934	341.6	162.1	41.4
1935	340.9	91.8	34.4
1936	420.2	140.9	70.7
1937	400.5	154.6	77.6

The goods turnover of the port of Smalininkai most strikingly characterizes inland communication; then in the turnover of Memel port transit traffic with Germany (via Tilsit - Ragnit) is also included. On the inland waters downstream chiefly timber, and upstream coal and iron are conveyed. 505

Timber-rafting takes place mainly on the Nemunas and to a lesser extent also on the Neris, Jūra, Minija, and Nemunėlis. The quantities of round timber, pulp wood and firewood carried on the waterways were as follows (in cubic metres):

1931	1932	1933	1934	1935	1936	1937
206 669	412 902	360 000	473 706	441 396	266 292	468 966

Shipping on the Nemunas to-day serves predominantly inland traffic. In connexion with the regulation of economic relations with Poland, the possibility of increased utilization of these waterways for transit trade is to the fore.

4. Roads and Highways.

In 1918, i. e. at the time of the foundation of the independent Lithuanian State, the total length of roads amounted to 1 190 kilometres, but in this connexion it must be borne in mind that the majority of them were in an almost impassable condition, and that many bridges were destroyed. In 1928 already 1 701 klms. and at the end of 1937, 1 956 klms. were available, of which 1 265 klms. were under the jurisdiction of the State Highways Board and the remainder under that of the local administrations. The total length of roads during twenty years had therefore increased by 766 klms. which had been achieved partly by means of the improvement of old routes and partly by the construction of new ones. In that time a total of 1 247 klms. of roads had been fundamentally repaired, 213.5 klms. newly built, and 937 bridges constructed. The cost of this work amounted to 60 000 000 litas, of which 40 000 000 litas was on account of road and 20 000 000 litas on account of bridge construction. Besides the above-mentioned roads, there are also 31 530 klms. of country roads. The total length of all roads and highways is therefore 33 486 klms. 491